STATE OF VERMONT PUBLIC SERVICE BOARD

Docket No. 7970

Amended Petition of Vermont Gas Systems, Inc. for a)	
certificate of public good, pursuant to 30 V.S.A. § 248,)	
authorizing the construction of the "Addison Natural Gas)	
Pipeline" consisting of approximately 43 miles of new)	
natural gas transmission pipeline in Chittenden and)	
Addison Counties, approximately 5 miles of new)	
distribution mainlines in Addison County, together with)	
three new gate stations in Williston, New Haven and)	
Middlebury, Vermont)	
	Order entered:	7/25/2014

ORDER RE SOIL MANAGEMENT PLAN

I. Introduction

Recent filings have indicated that construction activity by Vermont Gas Systems, Inc. ("VGS") near poles owned by Vermont Electric Power Company, Inc. ("VELCO") has the potential to disturb soils contaminated with Pentachlorophenol ("PCP"). In response to these filings, VGS has committed to prepare a soil management plan ("SMP") for use during the construction of Phase I of the Addison Natural Gas Pipeline (the "Project"). In this Order we require that VGS temporarily halt all soil disturbing activity associated with the construction of the Project in the VELCO right-of-way until after the Vermont Public Service Board ("Board") has reviewed and approved the SMP. The Board also provides an opportunity for the parties to comment on VGS's proposed SMP.

II. Discussion

On July 8, 2014, VGS filed with the Board a letter written by the Agency of Natural Resources ("ANR") stating that ANR believed that it would be prudent for VGS to develop an SMP to screen potentially contaminated soils associated with utility poles that were treated with PCP. On July 11, 2014, the Board issued an Order directing VGS to provide an SMP to the Board and the parties in this Docket for review and comment by July 21 or to explain why no

Docket No. 7970 Page 2

SMP was necessary. On July 21, 2014, VGS filed a letter stating "that it would be prudent for [VGS] to develop and implement an SMP for construction." VGS further stated that it planned to develop an SMP in consultation with the ANR and that it planned to file an SMP with the Board by August 1, 2014.

On December 23, 2013, we granted a Certificate of Public Good ("CPG") to VGS authorizing construction of the Project.² In doing so, we determined that the construction of the Project would not have an undue adverse impact on the natural environment and public health and safety.³ The recent filings related to the potential impacts of pipeline construction on soils that may have been contaminated with PCP have raised a new issue about the possibility of environmental or health impacts. VGS's statement that the implementation of an SMP is the prudent course of action to address concerns regarding potential soil contamination in the VELCO right-of-way highlights its recognition that the existing requirements and construction protocols may not be adequate. VGS's statement also suggests that it may be necessary for VGS to take additional precautionary measures to ensure that the construction of the Project will not have an undue adverse impact on the natural environment and public health and safety.

At this time, the SMP is not in place and has not been submitted to the Board for approval. As a result, the potential exists for environmental or health impacts from ongoing construction activities authorized by the CPG. To avoid or minimize such potential effects, we conclude that it is appropriate to prohibit VGS from engaging in any soil disturbing activity within the VELCO right-of-way until the Board has reviewed and approved VGS's SMP. The review and approval of the SMP is necessary for us to determine whether it is adequate to ensure that the Project will not have an undue adverse effect under the applicable statutory criteria and that the Project is in the public good. We expect that this limitation will apply for a short period — only until VGS files its SMP, parties comment upon it, and we can rule on the

^{1.} Letter of Kimberly K. Hayden, on behalf of VGS, to Susan M. Hudson, Clerk of the Board, dated July 21, 2014.

^{2.} Final Order and Certificate of Public Good, Docket 7970, Order of 12/23/13.

^{3.} *Id.* at 87; see 30 V.S.A. § 248(b)(5) (requiring that the Board find that construction of gas facilities not have an undue adverse impact on the natural environment and public health and safety).

Docket No. 7970 Page 3

SMP's adequacy. This limitation only prohibits soil disturbance in the VELCO right-of-way. VGS may continue the construction authorized by the CPG in areas outside of the VELCO right-of-way.

The Board directs VGS to file its SMP with the Board and the parties in Docket 7970 as soon as possible. Parties will have one week to comment on the SMP from the date it is filed with the Board.

SO ORDERED.

Dated at Montpelier, Vermont, this <u>25th</u> day of <u>July</u>	, 2014.
s/ James Volz)	Public Service
s/ John D. Burke	Board
s/ Margaret Cheney)	OF VERMONT

OFFICE OF THE CLERK

FILED: July 25, 2014

ATTEST: s/Susan M. Hudson
Clerk of the Board

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and Order.